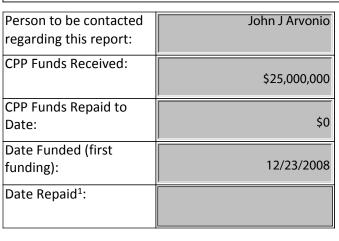
ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Intervest Bancs	hares Cor	poration



2049302
Now Vorle
New York
New York

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

$ \mathbf{x} $	Increase lending or reduce lending less	See below
	than otherwise would have occurred.	



¹If repayment was incremental, please enter the most recent repayment date.

increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	The Company's wholly owned subsidiary, Intervest National Bank, continued to originate commercial and multifamily real estate loans in New York and Florida, its major lending areas.
Increase securities purchased (ABS, MBS, etc.).	
Make other investments	
Increase reserves for non-performing assets	

<u> </u>	Reduce borrowings	See below
X	reduce porrowings	see below
_	Increase charge-offs	
	increase charge-ons	
_	Purchase another financial institution or	
	Tarchase another infancial institution of	
	purchase assets from another financial	
	institution	
X	Held as non-leveraged increase to total	See below
17.	capital	
	Capital	

What actions were you able to avoid because of the capital infusion of CPP funds?		
receipt of the CPP funds, that subside recently, the Bank has reduced its leads to be its primary regulator. In the absence	liary was initially able to fund additional loans, consiste nding activities so as to preserve capital and to assure	compliance with increased levels of capital required by aged increase to total capital, the Bank would have been

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?
As is indicated above, in the absence of the CPP funds, the Bank would have explored other alternatives to raise additional capital, without any assurance that such capital would be available or, if available, would be available on reasonable terms and conditions.
Without the infusion of CPP funds, the Bank may not have been able to meet the heightened capital requirements imposed on it. The availability of the capital, moreover, enabled the Bank to retain and aggressively manage certain non-performing assets, with a view towards minimizing losses and maximizing recoveries of those assets.

lease describe any other actions that you were able to undertake with the capital infusion of CPP funds.
ee above

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.